Remarks/Arguments begin on page 9 of this paper.

Amendments to the Specification:

Please replace the paragraph beginning at page 1, line 2, with the following rewritten paragraph:

-- This application claims priority under 35 U.S.C. § 119(e) to U.S. Provisional Application No. 60/503,911, filed on September 18, 2003.

BACKGROUND OF INVENTION—

Please replace the paragraph beginning at page 6, line 4, with the following rewritten paragraph:

-- Figure 1 shows a smart card reader according to the present invention. As shown, a smart card reader 10 receives a smart card 20. A smart card reader 10 includes at least an internal contact plate 12 and connecting wires 14. The connecting wires 14 lead to a further connection device, not shown, that transmits signals from the card reader to a computer or computer network for transfer of data to and from the smart card 20. The bottom longitudinal edge of a smart card 20 leads into a smart card reader 10. The contact plate 12 is aligned within the reader 10 in order to facilitate contact between contacts 18 and the smart chip 22. Contact plate 12 includes a plurality of contacts 18. The card reader 10 may be used in a vertical plane as shown in Figure 1 or horizontal plane, however regardless of the orientation used, a user inserts the smart card with the longitudinal edge leading into the card reader. The card reader 10

includes two lateral walls, a first lateral wall 11a and a second lateral wall 11c, and a longitudinal wall 11b. The lateral walls 11a, 11c and longitudinal wall 11b define a perimeter wall for a receptacle 15. The card reader of Figure 1 includes placement tabs 16a, 16b and 16c. The placement tabs 16a, 16b and 16c partially extend from the two lateral walls 11a, 11c and the longitudinal wall 11b. The placement tabs 16a-16c resiliently hold the smart card 20 in place within a the receptacle 15. As can be seen from Figure 2, the smart card reader 10 is three sided, a bottom surface 11d with two lateral walls 11a, 11c; therefore receptacle 15 remains open on one side. The placement tabs 16a-16c apply inward pressure to the smart card 20 and ensures that contact remains constant between the smart chip 22 and contacts 18. The use of the tabs 16a-16c within the open receptacle 15 substantially reduces the abrasion and wear that a smart card is subject to. --

Please replace the paragraph beginning at page 7, line 10, with the following rewritten paragraph:

--Figure 4 shows a second exemplary embodiment of the present invention. A smart card reader 30 receives the smart card 20 along its latitudinal side edge as shown. The smart card 20 is manually inserted into an open receptacle 35 where a receptacle lip 32 extends over the receptacle 35 partially enclosing a small portion at one end of the reader on three sides. The receptacle lip 32 extends over a lateral side of the receptacle 35 and partially over two adjoining longitudinal sides of the receptacle 35 into a portion of the receptacle 35. The receptacle 35 remains substantially open on the opposite side of a bottom surface 31. Similar to the first embodiment, card reader 30 includes the contact pad 12 with contacts 18. The receptacle lip 32 resiliently holds smart card 20 in place. Figures 5 and 6 show top views of the card reader 30. Figure 5 shows an empty card reader 30 and

Figure 6 shows the card reader 30 with smart card 20 inserted therein. The receptacle lip 32 engages the smart card 20 into the receptacle 35 and ensures the smart card 20 remains in contact with the contacts 18. The embodiment of Figure 4 also reduces abrasion and wear that the smart card 20 is subject to. The lip 32 advantageously applies pressure to a limited area around the outer edge along three sides of the smart card 20. Figure 7 shows a view of reader 30 where the smart card 20 is inserted into the receptacle 35. The receptacle lip 32 keeps the smart card 20 in place during operation.—